

INDUSTRY DAY



Small Caliber Ammunition
Commercial System Integrator

Industry Day Agenda

8:30	Registration	
9:00	Opening Remarks	Bill Sanville
9:15	Objective	LTC Butler
9:20 - 11:00	General Topics	
	<i>History</i>	
	<i>Concept of Operation</i>	Sue McKinnis
	<i>Acquisition Strategy</i>	
	<i>Work Distribution</i>	Ken Insco
	<i>Potential Round Mix</i>	
	<i>Desired Outcomes</i>	
	<i>Milestones</i>	Sue McKinnis
	<i>Questions & Answers</i>	Panel Discussion
	<i>Summary</i>	Bill Sanville
11:00 - 12:30	Lunch	
12:30 - 16:00	Break-Out Sessions	

September 5,

Objective

Acquire Ammunition from a single commercial “Systems Integrator” who has the capability to deliver Small Caliber Ammunition (5.56mm, 7.62mm & .50 Cal), conforming to US TDP, from a mix of “in-house” and sub-contractors / vendors (World Wide).

Small Caliber Ammo Production Base

WW II 16 Plants

Lake City Ordnance Plant - Remington Arms
Twin Cities Ordnance Plant - Federal Cartridge Co.
St. Louis Ordnance Plant - Western Cartridge Co.
Frankford Arsenal - Government
Denver Ordnance Plant -
Bridgeport PEP - Remington Arms
New Haven PEP - Winchester Western
Des Moines Ordnance -
Utah Ordnance -
Eau Claire Ordnance -
East Alton Ordnance -
Kings Mills Ordnance -
Evansville Ordnance -
Milwaukee Ordnance -
Allegany Ordnance -
Lowell Ordnance -

PEAK OUTPUT	WW II
Cal. 30	900M/mo
Cal.30 carbine	227M/mo
Cal.45 ball	250M/mo
Cal. 50	500M/mo

1.877M/mo
1.877B/mo

September 5,

Korean War 6 Plants

Lake City Ordnance Plant
St. Louis Ordnance Plant
Twin Cities Ordnance Plant
Frankford Arsenal
New Haven PEP
Bridgeport PEP

Vietnam 5 Plants

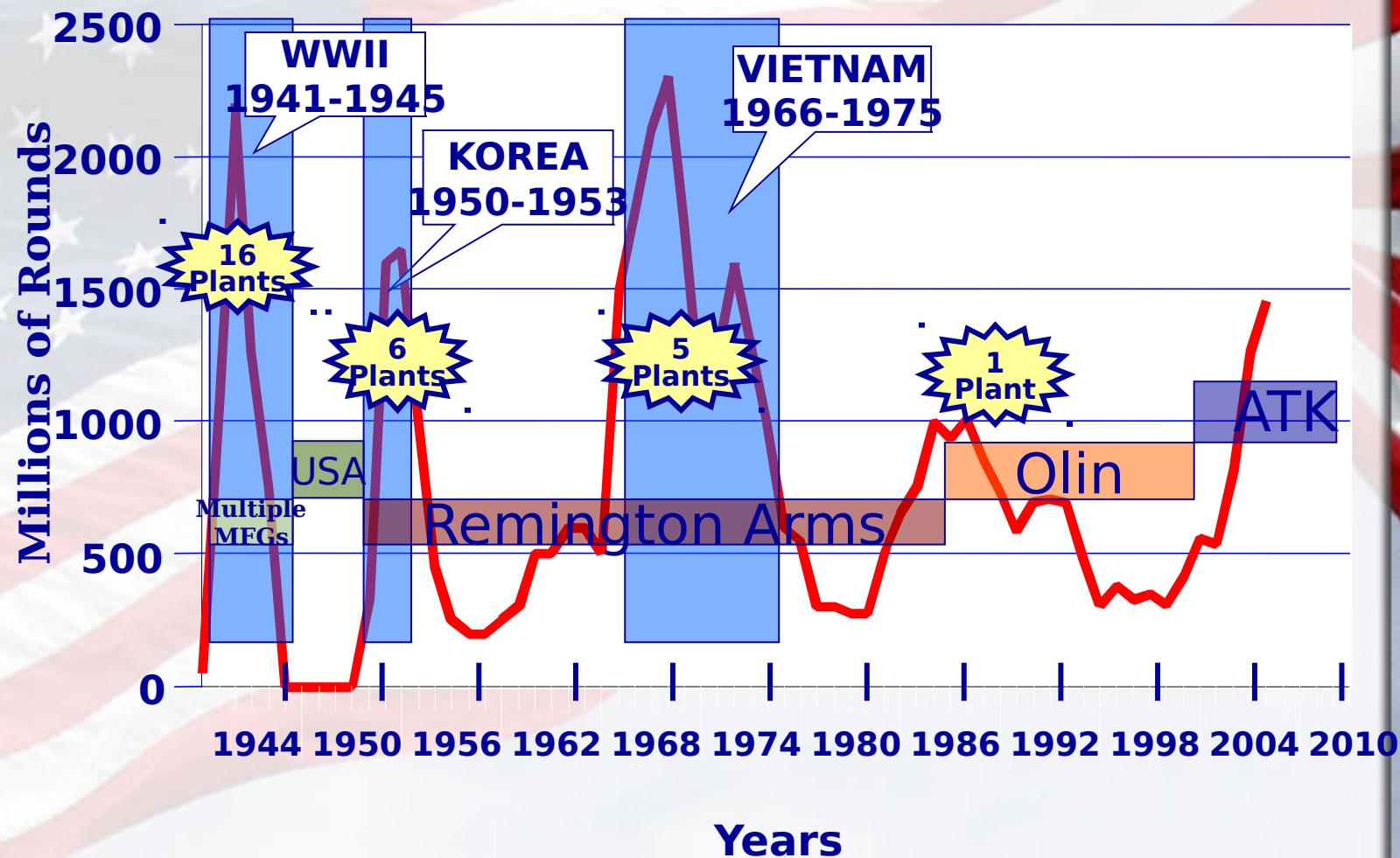
Lake City Army Ammunition Plant
Twin Cities Army Ammunition Plant
Frankford Arsenal
New Haven PEP
Bridgeport PEP

Today 1 Plant

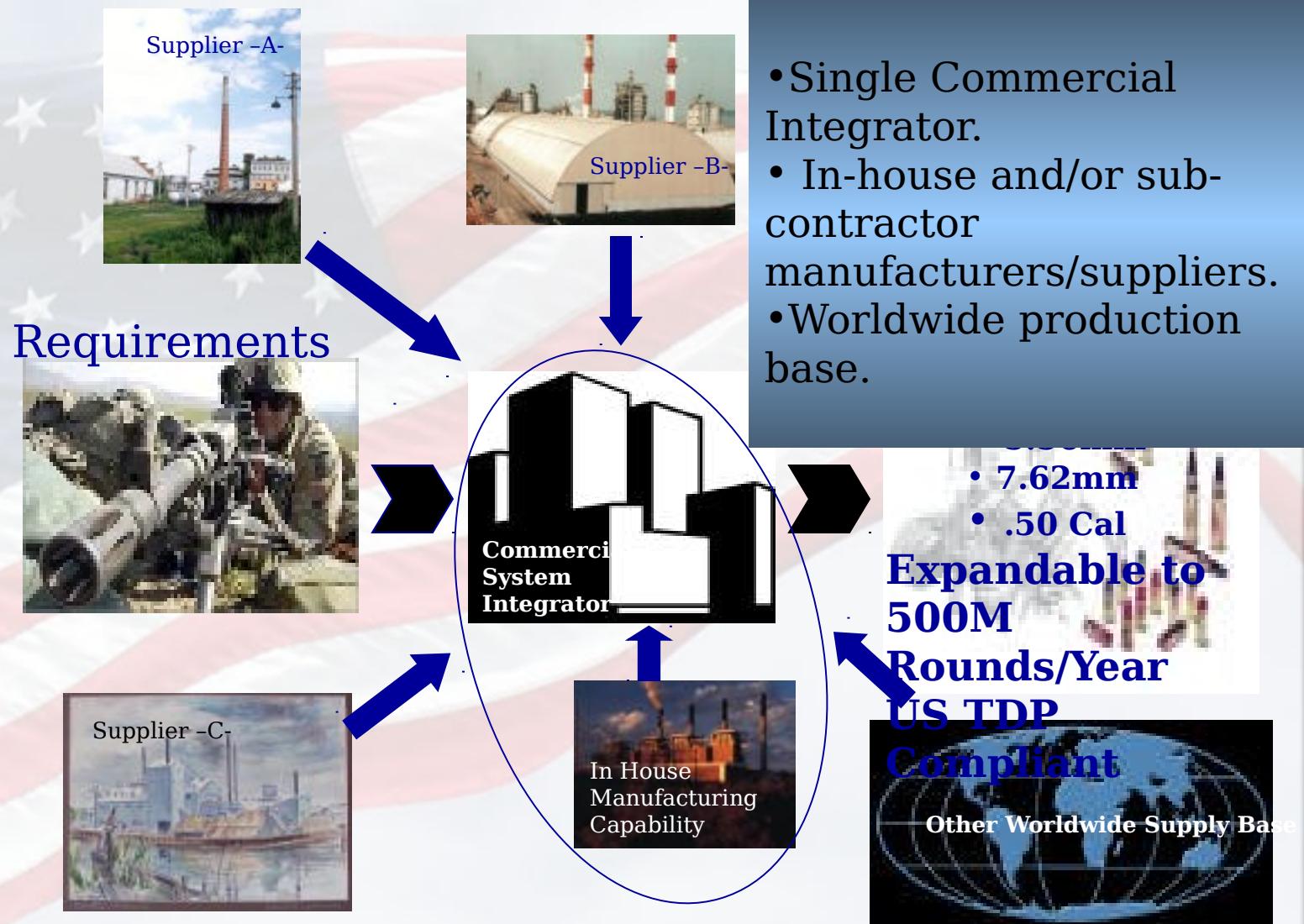
Lake City Army Ammunition Plant
Peak Capacity 1.2B/yr

100M/mo

Small Arms Production History



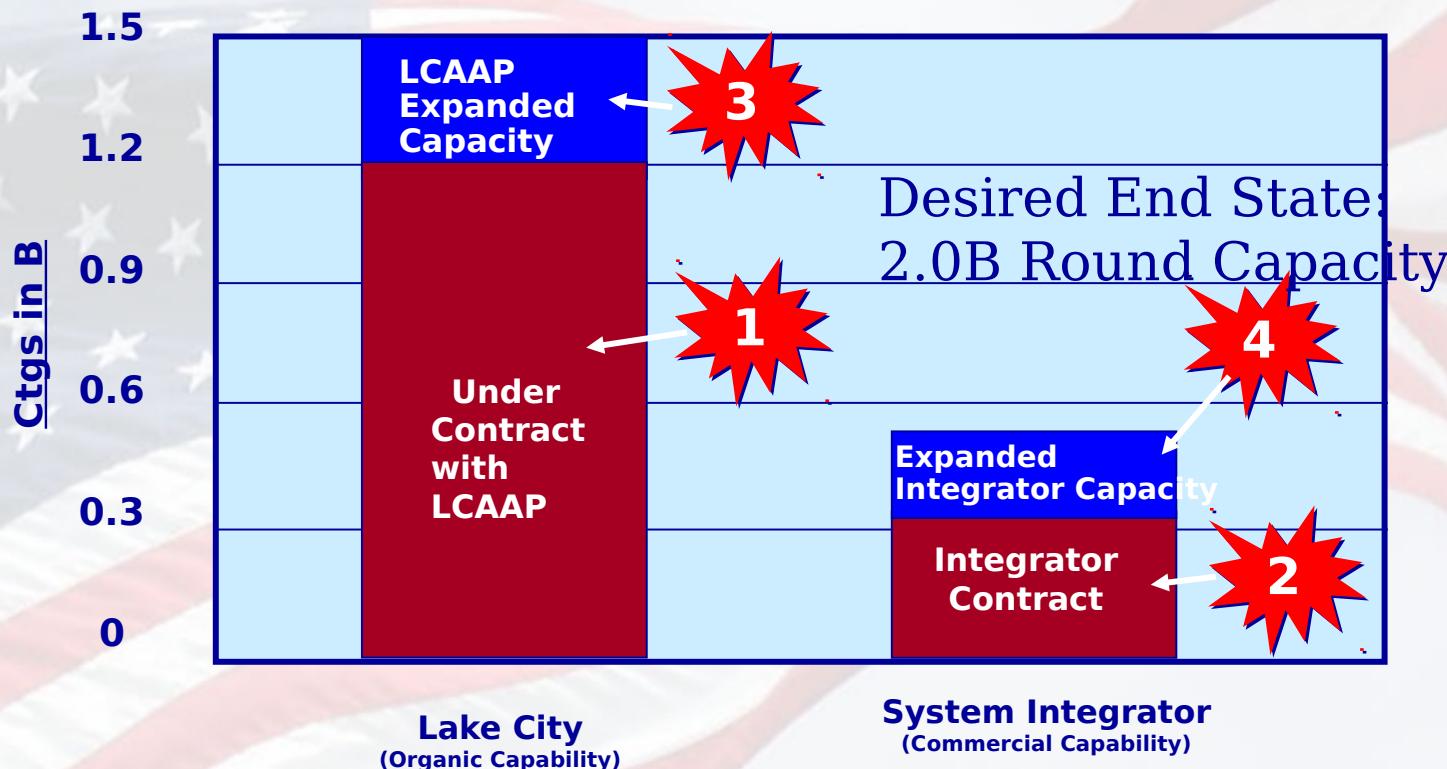
Concept of Operation



Acquisition Strategy

- **Full and Open Competition**
 - *Basic Award for Capability and Initial Hardware Buy*
 - *Best Value Evaluation (Tentative Criteria)*
 - *Technical Management*
 - *Past Performance*
 - *Existing Production Capacity and Capabilities*
 - *Price*
 - *Small Business Utilization*
 - *Formal Source Selection with a Source Selection Authority*
- **5 Year Requirements Contract**
 - *Requirements Exceeding LCAAP Contractual Capacity*
 - *Firm Fixed Price Delivery Orders*
 - *Pricing Matrix for Quantities Up To 500M*
- **US Military TDP Ammunition**
- **First year buy subject to availability of funds.**
- **Delivery period will be 12 months from initial production delivery.**
- **Geographic Separation from LCAAP**
 - *No Government Furnished Property at Lake City will be Authorized*

Work Distribution Between LCAAP and System Integrator



Strategy:

1. LCAAP (1.2B Ctgs).
2. Contract Commercial Capacity Through Integrator (300M Ctgs).
3. Expand LCAAP (300M Ctgs).
4. Expand Integrator (200M Ctgs).

Potential Round Mix For System Integrator

5.56mm

	Ball
20M	Blank
85M	4 Ball/1 Trace
21M	

7.62mm

	Ball
26M	Blank
40M	4 Ball/1 Trace
80M	

Caliber .50

	Blank
17M	4 Ball/1 Trace
11M	

Desired Outcomes

- **Meet Ammunition Requirements**
- **Maximize Utilization of Lake City**
- **Support Long Term Risk Mitigation**
- **Provide Geographical Separation**
- **All Three Families**
 - **5.56mm, 7.62mm, Caliber .50**
- **Mixes of Ball, Trace & Blank**
 - **Various configurations (e.g. linked, carton pack, etc).**

Major Milestones (Tentative Dates)

	FY04						FY05										
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
CBD Announcement	▲																
Industry Day			▲														
Issue Draft RFP					△												
Pre-solicitation Conference						△		△									
Issue Final RFP							△										
Proposals Due								△									
Discussions									△								
Pre Award Survey									△								
Final Proposal Revisions Due										△							
Source Selection											△						
Contract Award												△					
FAT for Initial Rounds(s)													△				
Production														△			

September 5,

Questions & Answers

- **Use of Gov't Owned Property at Lake City Army Ammunition Plant**
 - *No use of any Government Property at Lake City including Equipment, Buildings, Property*
 - *Geographic Separation*
- **Anticipated Ctg Mix**
 - **5.56mm**
 - *Ball 20M*
 - *Blank 85M*
 - *4 Ball/1 Trace 21M*
 - **7.62mm**
 - *Ball 26M*
 - *Blank 40M*
 - *4 Ball/1 Trace 80M*
 - **Caliber .50**
 - *Blank 17M*
 - *4 Ball/1 Trace 11M*
- **Association with Current Urgent Buys**
 - *In Addition to Current Urgent Buys*
- **Product Distribution Rules between ATK - Lake City and the System Integrator**
 - *First 1.2B Rounds to LCAAP, Next 300M to System Integrator, Next 300M to LCAAP, Final 200M to Systems Integrator.*
- **Will Government Investment Dollars be Available**
 - *If initial round buy is executed, NO investment dollars will be available.*
 - *If the contract does not include an initial round buy, facilitation dollars may be made available subject to availability of funds.*
- **Business Opportunities for Small Business Participation**
 - *Small Business Sub-Contracting Clauses will be included as well as the Small Business Plan*
 - *Rating Factor in Selection Criteria*

Questions & Answers

- **System Integrator Choice Criteria**
 - **Best Value Evaluation (Tentative Criteria)**
 - ✓ **Technical Management**
 - ✓ **Past Performance**
 - ✓ **Price**
 - ✓ **Existing Production Capability and Capacity**
 - ✓ **Small Business Utilization**
 - **Final Criteria will be provided in the solicitation**
- **Is Any Idle Production Equipment Available**
 - **No equipment from LCAAP will be authorized.**
 - **Some equipment currently in storage may be available on a where is/as is basis.**
 - **Listing of Available Equipment will be provided as part of Solicitation.**
 - **Contractor would be responsible for transporting, installing, repairing, modifying, etc.**
 - **Contractor's Proposed price will be adjusted upward based on rental rates contained in FAR52.245-9.**
- **Comparison Between US and NATO Specs**
 - **While comparison is available System Integrator will be asked to provide to US TDP.**
 - **NATO Ammunition is not an option at this time.**
 - **Some rounds in the mix are NOT NATO rounds (Blank, Cal .50,etc)**
- **Will Integrator be Producing Specialized Ammunition**
 - **NO**
 - **US TDP Ammunition Only**
 - **Blank, Trace & Ball mix as indicated**
- **There will be NO R&D activities in the System Integrator Contract**
- **For additional information see RIA Webpage:**
<http://www.osc.army.mil/ac/aaais/ioc/solinfo/sow/sow.htm>

Summary

- **Army plans to establish a commercial second source system integrator for small caliber ammunition.**
- **Integrator will be capable of providing 300M US TDP small caliber rounds per year from a variety of in-house and subcontractor/ vendors manufacturers.**
- **Integrator will be able to expand capacity to 500M rounds per year, if necessary.**
- **Contract to be awarded best value through full and open competition.**
- **Potential first year buy up to 300M rounds.**
- **Contract award expected 2QTR-FY05.**
- **5 year contract.**

[http://www.osc.army.mil/ac/aa
is/ioc/solinfo/sow/sow.htm](http://www.osc.army.mil/ac/aa
is/ioc/solinfo/sow/sow.htm)

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